

## Message Text

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ORIGIN EA-03

INFO OCT-01 ISO-00 /004 R

66011

DRAFTED BY EA/EP:RHIMUS:SJB

APPROVED BY EA/EP:RHIMUS

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R 290144Z JAN 76

FM SECSTATE WASHDC

TO AMEMBASSY BANGKOK

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FOL RPT JAKARTA 729 ACTION SECSTATE 19 JAN.

QUOTE

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(C O R R E C T E D C O P Y - DELETING REF LINE)

PASS AID AND AGRICULTURE

EO 11652: NA

TAGS: EAID ID

SUBJECT: CY 1976 PL-480, TITLE I PROGRAM

URGENCY TO MOVE FORWARD ON NEW CY 1976 PL-480, TITLE I  
AGREEMENT PROMPTS FOLLOWING MISSION COMMENTS REGARDING  
ISSUE COMMODITY PREFERENCES RAISED REFTEL:

1. SERIES OF MEETINGS BETWEEN BULOG AND AGATT THIS SUBJECT  
HAS RESULTED IN GENERAL ARIFIN REQUESTING THAT  
ENTIRE \$30 MILLION ANNOUNCED IGGI BE USED FOR  
WHEAT PURCHASES. ARIFIN AWARE UMR WILL BE APPLIED  
ANY NEW AGREEMENT FOR WHEAT. HE HOPEFUL GOI REQUEST  
FOR 200,000 TONS WHEAT FINANCED UNDER CCC EXPORT  
CREDIT SALES PROGRAM WILL BE APPROVED TO PERMIT THEIR  
WORKING OFF SUCH REQUIREMENT. UMR DIFFICULTIES ASSOCIATED  
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WITH LAST YEAR'S AGREEMENT AND FACT GOI UNWILLING TO

RESTRICT FREE COTTON IMPORTS AS A MEANS TO FORCE UMR  
COMPLETION MAKES COTTON LESS DESIRABLE. PRESSURE PLACED  
ON BULOG TO PURCHASE NEEDED RICE IMPORTS FROM OTHER  
ASIAN COUNTRIES MAKES RICE EVEN LESS DESIRABLE. ARIFIN  
REALIZING U.S. IN SURPLUS POSITION RICE WITH 800,000 TONS  
OF RICE PROGRAMMED UNDER PL-480, TITLE I PROGRAM INDICATED  
GOI COULD USE MAXIMUM 100,000 TONS U.S. RICE IF ADDITIONAL  
PL-480 FUNDS WERE MADE AVAILABLE AND NO REPEAT NO UMR  
APPLIED SINCE HE FEELS HE WANTS TO BE FREE TO PURCHASE COMMERCIALY  
FROM ANY SOURCE INCLUDING PRC, ETC. BULOG CURRENTLY  
NEGOTIATING COMMERCIAL PURCHASE APPROX. 500,000 TONS RICE  
WHICH INCLUDES 200,000 FROM THAILAND, 200,000 NORTH KOREA  
AND BALANCE UNSPECIFIED. THIS BEING DONE BECAUSE OF CONCERN  
THAT THE 1976 RICE HARVEST MAY NOT BE AS GOOD AS PLANNED DUE  
PRIMARILY TO SPREADING PLANT PEST PROBLEM. ADDITIONAL IMPORTS  
MAY FOLLOW BASED ON LAMDR ASSESSMENT THIS PROBLEM

2. WHEAT, RICE AND COTTON CONTINUE PRESENT VARIOUS PROBLEMS  
FOR PL-480 AGREEMENT. HOWEVER, MISSION NOW SELLS WHEAT  
INVOLVES THE LEAST DIFFICULTIES OF THE THREE. URGE, THEREFORE,  
EARLIEST CONSIDERATION NEW AGREEMENT FOR WHEAT ONLY TO SUPPORT  
LARGE IMPORT REQUIREMENT AND MAXIMIZE MARKET DEVELOPMENT  
EFFORTS THIS COMMODITY IN INDONESIA. CCC EXPORT CREDIT SALES  
PROGRAM MAY OFFER BEST OPPORTUNITY TO MOVE U.S. RICE INTO  
INDONESIA MARKET WITHOUT CREATING ADDITIONAL PROBLEMS  
WITH THAILAND AND OTHER RICE SUPPLY COUNTRIES.  
RIVES

UNQUOTE KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORTS, CREDIT, WHEAT, AGREEMENTS, PL 480 TITLE 1  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 29 JAN 1976  
**Decaption Date:** 01 JAN 1960  
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**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Drafter:** RHIMUS:SJB  
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**Previous Handling Restrictions:** n/a  
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**Status:** NATIVE  
**Subject:** CY 1976 PL-480, TITLE I PROGRAM URGENCY TO MOVE FORWARD ON NEW CY 1976 PL-480, TITLE I  
**TAGS:** EAID, ID  
**To:** BANGKOK  
**Type:** TE  
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